

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

FTX TRADING LTD., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

Objection Deadline: December 6, 2023 at 4:00 p.m. (ET)
Hearing Date: December 13, 2023 at 1:00 p.m. (ET)

**MOTION BY PATRICK GRUHN, ROBIN MATZKE, AND LOREM IPSUM UG TO
LIMIT SERVICE OF MOTIONS TO DISMISS BANKRUPTCY CASES OF
(A) FTX TRADING LTD. AND (B) MACLAURIN INVESTMENTS LTD.**

Patrick Gruhn, Robin Matzke, and Lorem Ipsum UG (collectively, “**LI Parties**”), move (this “**Motion**”) this Court (defined below) for entry of an order, substantially in the form attached to this Motion as **Exhibit A** (“**Proposed Order**”), providing that notice of: (a) *Motion of Patrick Gruhn, Robin Matzke, and Lorem Ipsum UG to Dismiss Bankruptcy Case of Maclaurin Investments Ltd. [D.I. 3399]* (“**Maclaurin MTD**”) and (b) *Motion of Patrick Gruhn, Robin Matzke, and Lorem Ipsum UG to Dismiss Bankruptcy Case of FTX Trading Ltd. [D.I. 3400]* (with Maclaurin MTD, “**LI Parties’ MSTD**”) (i) and served, consistent with this Court’s earlier orders concerning service (i.e., D.I. 425 and 545), upon the abbreviated list of parties required by the prior orders in the Chapter 11 Cases and (ii) serving a notice of the LI Parties’ MSTD, substantially in the form annexed as **Exhibit 1** to the Proposed Order (“**Notice of MSTD**”) substantially in the

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in the above-captioned jointly-administered chapter 11 cases, a complete list of the debtors (collectively, “**Debtors**”) and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>. The principal place of business of Debtor Emergent Fidelity Technologies Ltd is Unit 3B, Bryson’s Commercial Complex, Friars Hill Road, St. John’s, Antigua and Barbuda.

form of the Notice of MSTD, on all creditors via first class mail. In support of this Motion, the LI Parties respectfully state as follows:

Jurisdiction, Venue and Statutory Predicates

1. Subject to, and without waiving arguments set forth in the LI Parties' MSTD, The United States Bankruptcy Court for the District of Delaware ("Court"), has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Under Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware ("Local Rules"), the LI Parties consent to entry of a final order under Article III of the United States Constitution with respect to this Motion.
2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicate for the relief sought herein is Bankruptcy Rule 2002(a) and Local Rule 2002-1.

Background

4. On November 11 and November 14, 2022 (as applicable, "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* ("Bankruptcy Code"). The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors' cases ("Chapter 11 Cases") was authorized by the Court by entry of an order on November 22, 2022 [D.I. 128].

5. On December 15, 2022, the Office of the United States Trustee for the District of Delaware, appointed the Official Committee of Unsecured Creditors in the Debtors' Chapter 11 Cases, pursuant to section 1102 of the Bankruptcy Code [D.I. 231] ("Official Committee").

6. On October 27, 2023, the LI Parties filed each of the LI Parties' MSTD.

Relief Requested

7. By this Motion, the LI Parties request entry of an order, in the form of the Proposed Order, providing that notice of the LI Parties' MSTD may be limited and (i) served, consistent with this Court's earlier orders concerning service (i.e., D.I. 425 and 545), upon the abbreviated list of parties required by the prior orders in the Chapter 11 Cases and (ii) serving a notice of the LI Parties' MSTD, substantially in the form of the Notice of MSTD, on all creditors via first class mail.

Basis for Relief Requested

8. Federal Rule of Bankruptcy Procedure ("Bankruptcy Rules") 2002(a)(4) and Local Rule 2002-1(b) provide for notice of the hearing on the LI Parties' MSTD on all creditors and indenture trustees be made by mail at least 21 days before the hearing. *See Fed. R. Bankr. P. 2002(a)(4); Del. Bankr. L.R. 2002-1(b).* Further Bankruptcy Rule 2002(f)(2) and Local Rule 2002-1(b) provide for notice by mail concerning dismissal of a case. *See Fed. R. Bankr. P. 2002(f)(2).* Moreover, Bankruptcy Rules 2002(m) and 9007 provide that the Court has general authority to regulate standards for notices, including, without limitation, the form and manner of notices, except as otherwise provided by the Bankruptcy Rules. *See Fed. R. Bankr. P. 2002(m), 9007.*

9. Before filing this Motion, over the course of nearly two weeks, the LI Parties attempted to negotiate the use of the Debtors' notice and claims agent in this process (consistent with paragraph 13 of *Final Order (I) Authorizing the Debtors to Maintain a Consolidated List of*

Creditors in Lieu of Submitting a Separate Matrix for Each Debtor, (II) Authorizing the Debtors to Redact or Withhold Certain Confidential Information of Customers and Personal Information of Individuals on a Final Basis and (III) Granting Certain Related Relief [D.I. 545]. Those negotiations ultimately were unsuccessful because the LI Parties were told it would cost roughly \$60,000.00 and that over approximately 30,000 parties needed to be served by first class mail. Serving the entire LI Parties MSTD by mail on *all creditors* would require printing and mailing approximately 160 pages of materials to no less than 30,000 parties at significant expense. The unsuccessful conclusion of those negotiations necessitated the instant Motion. If the LI Parties are only required to serve the two-page Notice of MSTD on all creditors via first class mail (or by email, if known), the cost will be significantly less.

10. The LI Parties believe that serving only the Notice of MSTD on the parties not required under the Court's prior orders will be sufficient to give them an opportunity to be heard with respect to the relief requested in the LI Parties' MSTD. Bankruptcy Rule 2002(a)(4) requires only notice of the hearing on a motion to dismiss, which the Notice of MSTD will provide. Moreover, the Notice of MSTD will provide parties with the opportunity to obtain copies of the LI Parties' MSTD in its entirety, including instructions on how to obtain copies for free on the website maintained by the Debtors' claims agent.

11. In light of the above, the LI Parties believe that no parties will be prejudiced by this Motion and limiting notice outweighs the cost of serving the entire LI Parties' MSTD on all the parties in the Chapter 11 Cases, as opposed to those parties actively participating the Chapter 11

Cases like the Bankruptcy Rule 2002 service list, and there is not any potential prejudice to creditors who receive just the Notice of MSTD.²

Notice

12. Notice of this Motion has been given to the following parties or, in lieu thereof, to their counsel, if known: (a) the U.S. Trustee; (b) counsel to the Committee; (c) the Securities and Exchange Commission; (d) the Internal Revenue Service; (e) the United States Department of Justice; (f) the United States Attorney for the District of Delaware; and (g) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002. The LI Parties submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

13. No prior request for the relief sought in this Motion has been made to this or any other court.

Conclusion

WHEREFORE, for the reasons set forth herein, the LI Parties respectfully request that this Court approve the relief requested in this Motion, enter the Proposed Order, and grant such other and further relief as it deems just and proper under the circumstances.

[Signature Page Immediate Follows]

² On October 27, 2023, when the LI Parties filed the LI Parties' MSTD, the LI Parties filed and served a notice of the LI Parties' MSTD on the Rule 2002 list, providing for an objection deadline of November 10, 2023 at 4:00 p.m. (ET) and a hearing date to be determined. *See* D.I. 3399, 3400. The LI Parties have not received any other informal responses or objections to the LI Parties' MSTD and no responses or objections appear on the docket. The Debtors and the LI Parties have negotiated an objection deadline for the Debtors to respond to the LI Parties' MSTD of December 13, 2023, with a hearing to be held on January 17, 2024.

Dated: November 20, 2023
Wilmington, Delaware

/s/ Peter J. Keane

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